

# MINUTES

# Seattle City Employees' Retirement System Regular Board Meeting

**Wednesday, February 2, 2011 - 9:00 a.m.**  
**Pacific Building, 9<sup>th</sup> Floor**

**Present:**      ✓ Darwyn Anderson    ✓ Jean Godden                  ✓ Robert H. Harvey, Jr.    ✓ Glen M. Lee  
   ✓ Mary Norris                  ✓ Rod Rich                  ✓ Lou Walter

**Also Present:** Bill Krueller, ARSCE; Laurie Tish, Moss Adams; Kory Hoggan, Moss Adams; Carlton Seu, Esq., City Attorney's Office; Michael Monaco, Esq., Song Mondress; the operations staff of SCERS; Beverly Yapp, SCERS; Tony Smith, SCERS; Mike Akiyama, SCERS; Cecelia M. Carter, SCERS

**Public Comment:**

At the opening of the meeting, Ms. Carter asked for five minutes to recognize the staff for the work they performed in 2010. With the increase in new retirements and estimate request in 2010, Ms. Carter thanked the staff on behalf of the Board of Administration and SCERS management. Each member was announced to the Board with a brief description of their respective work function. Each member of staff was given a certificate of recognition. Members of the Board each followed with a word of recognition and thanks.

there being no other comments

Councilmember Godden as Chair called the meeting to order at 9:04am.

### Minutes:

**Information:** Provided in the Retirement Board packet are the minutes from the January 5, 2011 Retirement Board Regular Meeting. *(Attachment #1 – Board Only)*

**Motion:** Upon motion by Rod Rich, seconded by Bob Harvey, the Retirement Board approves the minutes from the January 5, 2011 Retirement Board Regular Meeting with the amendment of including the names of the public in attendance.

**Ratification of Retired Payroll, Office Payroll, Other Payments and Withdrawals:**

**Information:** The following items represent normal expenses and nothing extraordinary.

<b>Service</b>	\$ 9,034,342.53
<b>Beneficiary</b>	\$ 890,015.37
<b>Disability</b>	\$ 76,538.78
<b>Pension Payroll – PPE January 31, 2011</b>	<b>\$ 10,000,878.68</b>

**Office Payroll – PPE December 7<sup>th</sup> & 21<sup>st</sup> & 31<sup>st</sup>, 2010**

**\$ 74,040.87**

**Vouchers Processed – December 31, 2010**

**\$888,161.39\***

**\*Expert and Consultant Services – \$ 135,904.12**

**\*Investment Management Fees – \$393,191.46**

**\*Interdepartmental Charges - \$ 236,173.05**

**\*Miscellaneous - \$ 122,892.76**

**Immediate Withdrawals of Contributions for the month of January 2011:**

MEMBER	Department Name	Position
Vee, Luafaletele Linda	Law	Admin Spec
Arana, Claudia M	Off of Policy	Strategic Advisor
Newburn, Daniel R	Parks	Naturalist
Coffey, Carla Bryant	DON	Strategic Advisor
Duncan, Tiana M	Parks	Lifeguard
Ham, Marcius	SDOT	OES
Adamson, Donna R	Sea Ctr	Janitor
Iyer, Anoop V	SCL	Info Tech
Congdon, Noelle	Parks	Educ. Prog. Assit
Teshome, Tigist W	HSD	Social Svc Aide
Currington, Deborah E Sayless	Sea Ctr	Usher
Bisson, Renee M	SPD	Dispatcher
Carter, Vanessa E	Parks	Rec Attendant
Schenck, Patrick Owain	SDOT	Gardener

**14 Withdrawals for a total of: \$ 195,022.57**

**Motion:** Upon motion by Bob Harvey, seconded by Glen Lee, the Board ratifies the Retiree Payroll, Office Payroll, other Payments and Withdrawals.

## Ratification of Service Retirements:

**Information:** The following list represents the retirements that have been processed since the last Retirement Board meeting.

Retiree	RetireDt	Years	Days	DeptName	Position	Age
Agatsuma, Calvin H	12/31/2010	37	46	SDOT	IT Programmer Analyst Spec	65
Anderson, Virginia L.	12/23/2010	11	243	Vested		63
Ayengar, Gopal K N	1/1/2011	32	29	City Light	Electrical Engineer, Assoc	71
Banakes, Sandra J	12/3/2010	20	360	K.C. Health	Nutrition Assistant	68
Bauman, Esther	12/31/2010	10	48	Vested		67
Bjorkman, Jane M	1/1/2011	37	174	K.C. Health		58
Bradley, Charles Jr	12/31/2010	41	346	Library	Library Tech I	73
Brown, Keith A	1/4/2011	30	319	SPU	Manager 1, Utils	55
Browning, Georgianne C	12/31/2010	16	324	DEA	Licenses & Standards Inspector	60
Burke, Edith M	1/4/2011	20	26	Police	Admin Staff Asst	62
Butler, Eddie	1/1/2011	47	350	City Light	Mach Spec	71
Caliwag, Amanda G	12/31/2010	17	55	Vested		71
Casey, Margaret M	12/24/2010	8	180	Human Services	Plng & Dev Spec II	72
Cerezo, Ester	1/1/2011	32	224	SPU	Acctg Tech II	72
Chin, Yen	12/23/2010	8	7	Vested		62
Del Donno, Elizabeth	1/4/2011	31	321	SPU	Util Act Rep Supv II	57
dela Cruz, Lydia C	12/31/2010	31	271	Police	Police Data Tech	68
Divina, Ted C	12/31/2010	38	73	Neighborhoods	Neighb District Coord Supv	62
Edison, Dyan Phillis	12/31/2010	34	59	Police	Admin Spec II-BU	66
Elmore, Willma E	1/1/2011	30	118	K.C. Health	Chief of Nursing Services	62
Farrar, Gerald A	1/1/2011	28	13	City Light	Struct Pntr	67
Fleming, Theresa M	1/5/2011	17	173	City Light	Info Tech Prof B	57
Forsberg, Gail E	12/9/2010	31	252	DEA	Info Technology Prof B	63
Fregien, Clifford Jerome	1/1/2011	16	289	SPU	Opns Response Center Op	70
Givler, Lynne A	1/1/2011	16	261	Vested		57
Griffin, Michael P	1/1/2011	20	182	DCLU	Housing/Zoning Inspector	66
Haferkamp, Donald	1/5/2011	31	324	City Light	Structural Iron Worker	65
Hammerschmidt, Vera J	1/1/2011	18	348	Vested		66
Handler, Joseph F	12/22/2010	40	247	City Light	Elecl Engrng Spec, Sr	69
Hansen, Neil M. Jr	12/31/2010	34	33	Police	Crime Prevention Coordinator	61
Hendrickson, Carol J	12/21/2010	35	266	Police	Parking Enf Officer	63
Henriksen, James M	1/1/2011	40	364	Human Services	Envir. Health Supervisor	67
Hensley, Raymond C	12/22/2010	32	99	DEA	Info Tech Prof C-BU	65
Hillis, Linda G	12/31/2010	18	292	SPU	Util Act Rep 1	63
Holifield, George W.	1/1/2011	21	12	Municipal Courts	Muni Judge	75

Retiree	RetireDt	Years	Days	DeptName	Position	Age
Holiman,Michael L	12/31/2010	10	177	Fleets & Facilities	Auto Mech / Vested	59
Hollingsworth,Ethel L	1/5/2011	7	334	Parks	Sea Conserv Corps Supv	74
Jackson, Barrie	12/31/2010	13	116	Human Services	Prgm Intake Rep	78
Jackson,Gaynell K	1/5/2011	29	93	SPU	Water Pipe Wrkr-Sr-WDM II	58
Johnson,Rod Davis	1/5/2011	19	35	Fleets & Facilities	Strat Advsr 1, Genl Govt	64
Johnston, Leanne M	12/31/2010	21	32	Vested		52
Jordan,Thomas P	12/22/2010	32	321	DEA	Info Technol Prof B-BU	64
Keniston-Longrie, Joy L	1/5/2011	9	279	SPU	Executive 2	55
Kozelisky,Paul C	12/31/2010	30	139	Fleets & Facilities	Metal Fabricator	58
Leatherwood,Clifton L	1/5/2011	26	79	City Light	Cust Service Rep, Sr	62
Lipnick,Barry R.	12/31/2010	31	151	DCLU	Bldg Inspector, Structural	66
Loo,Jerry	12/31/2010	29	279	Parks	Maintenance Laborer	66
Lopez,Donna M.	12/31/2010	31	330	DEA	Acctg Tech II	67
Lukhang,Gelden R.	12/31/2010	19	351	Seattle Center	Util Laborer	66
Mason,Joseph	12/31/2010	19	315	DCLU	Elect. Inspector, Sr	71
Michels,Vicki S	12/22/2010	23	7	City Light	Admin Spec I - BU	67
Ok,Arlene Takako	12/31/2010	32	360	Human Services	Planning & Devel. Spec II	76
Olsen,Jerald	1/5/2011	24	172	City Light	Electn Con	58
Paneris,Pythagoras J	12/31/2010	30	99	City Light	Meter Electrician	70
Pino,John T Jr	1/3/2011	30	126	Police	Marine Equip Supvr	55
Robinson,Jack D	1/5/2011	14	36	Law	Administrator - Law	70
Scott,Mary A.	12/31/2010	32	45	City Light	Ad Spec III BU	68
Segan,Akiva Kenneth	12/31/2010	17	164	Library	Library Assoc II	60
Sendejar,Liboria	12/31/2010	8	12	Personnel	TES	67
Shoemaker,Charles William	12/31/2010	20	159	City Light	Elec Quality Assurance Spec	72
mith,Charles F	1/5/2011	34	91	City Light	Structural Iron Worker	63
Soltani,Reza	12/31/2010	7	60	Vested		65
Sparkman,Kirsten M	12/17/2010	24	223	SDOT	Street Paving CC	52
Stark,Dan A	1/5/2011	25	30	Fleets & Facilities	Painter	53
Stave,Martha M.	12/24/2010	3	139	Vested	Land Use Planner	66
Stennis,Charelyn Lee	1/5/2011	20	70	City Light	Strat Advsr 2, Info Tech BU	62
Stinson,Michael J	12/31/2010	34	280	City Light	Rights of Way Maint Worker	61
Tangborn,Melvin A	12/31/2010	38	185	DEA	Animal Control Officer II	67
Tapp,Roger L	1/1/2011	41	299	City Light	Elec Svc Rep, Supvsng	68
Turner,Lewis P	12/25/2010	30	1	Parks	Manager 2, Fin,Bud & Acctg	65
Woodhouse, Philip R	1/5/2011	23	193	SPU	Capital Projects Coord	72
Young,Anna Lisa	1/5/2011	33	99	City Light	Meter Electrician	58

For the month of January: 45 new members entered the System, 72 retired from the System, 1 retirement continuations due to death of retiree, 1 retirement adjustments due to social security payments beginning (Option F reductions); 0 benefit pop-ups due to deceased beneficiary; 0 option B expiration; 1 C-option expirations; 1retirement commenced due to death of active employee; and 49 others terminated City employment.

**Motion:** Upon motion by Darwyn Anderson, seconded by Rod Rich, the Retirement Board approves the service retirements listed above, pending final review.

### **Ratification of Investment Transactions and Statement of Securities and Cash:**

**Information:** Provided in the Retirement Board packet is the Investment Summary report that represents the transaction summary and the market value of the investments as of December 31, 2010. *(Attachment #2 – Board Only)*

**Motion:** Upon motion by Lou Walter, seconded by Mary Norris, the Retirement Board accepts the Investment Summary report.

### **Investment Committee Report:**

**Information:** The Investment Committee is scheduled to next meet at noon on February 24, 2011 in the Retirement Office.

### **Investment Activity Requiring Board Ratification and/or Recognition -**

**Motion:** Upon motion by Lou Walter, seconded by Rod Rich, the Retirement Board accepts the recommendation of the Investment Committee to adopt the Statement of Investment Policy and Procedures – *Last Revised January 27, 2011*; as presented.

### **Executive Director Report:**

#### **Annual Educational Meetings**

#### **2011 NCPERS**

**Motion:** Upon motion by Rod Rich, seconded by Bob Harvey, the Retirement Board approved attendance of Board members to the annual meeting of the National Council of Public Employees' Retirement System in 2011.

## **2011 CII**

**Motion:** Upon motion by Lou Walter, seconded by Bob Harvey, the Retirement Board approved attendance of appropriate staff to the meeting of the Council of Institutional Investors in 2011.

## **2011 GFOA**

**Motion:** Upon motion by Lou Walter, seconded by Darwyn Anderson, the Retirement Board approved attendance of appropriate staff to the meeting of the Government Finance Officers Association in 2011.

## **Trustee Election**

- Ms. Carter gave an update on the progress of the upcoming trustee election

## **SCERS Cash Flow Report**

- Ms. Carter gave an overview of the SCERS cash flow
- Discussion ensued regarding future reporting to the Board on such matters

## **January 20, 2011 Incident Report**

- Ms. Carter briefed the Board on an incident which took place in the office and resulted in a broken front door. The matter is being addressed by the employee's employing unit.

## **Old Business:**

### **(1) Status of Benefit Enhancements**

**Information:** The **estimated** current funding level of the Retirement Fund is 63.38% as of December 31, 2010

The above amount is an estimate calculated each month by the Retirement Office staff. As provided by Ordinance 120685, changes to the Floor COLA will occur once the funding level has reached at least 100% and has been confirmed by the Board after commissioning an actuarial valuation.

### **(2) *ON HOLD* -- Items to Discuss - Tabled pending Asset / Liability Study**

- Investment Policy Guidelines
  - Real Estate
  - Hedge Funds
  - Alternative Assets

### **(3) 2010 Audit of Financial Statements**

- Mr. Akiyama gave an update on the audit of financial statements progress

## **New Business:**

**The Board reserves the right to enter into executive session if necessary**

## **Executive Session:**

- **The Board entered into executive session at 10:00am to discuss and receive a report from legal counsel.**
  - **Carlton Seu announced the executive session for 10 minutes.**
  - **Cecelia Carter announced an extension to the session for an additional 10 minutes.**
  - **The Board came out of executive session at 10:20am**

**No action was taken**

## **Adjournment:**

**Motion:** Upon motion by Lou Walter, seconded by Glen Lee, the Retirement Board voted to adjourn the meeting at 10:25 a.m

---

Darwyn B. Anderson, Acting Director of Personnel